

**ANNUAL REVIEW OF DISTRICT/COUNTY COLLECTION ACTIVITIES
CONCENTRATION BANKING SYSTEM**

I. PROCEDURE/RESPONSIBILITY

Yes No

1. Are CBS procedures fully accessible to employees? ☐ ☐
2. Are the duties in connection with collection and recording of borrower payments separated in accordance with procedures? ☐ ☐
3. Are the basic duties relating to collection (receiving, recording, depositing, and balancing bank statements) divided and rotated as much as is reasonably possible to ensure maximum control? ☐ ☐
4. Is there evidence that the County Supervisor, District Director or Designee is making monthly reviews of collection activities? ☐ ☐

II. POSTING PAYMENTS/PREPARING THE ACCOUNTING AND CBS DOCUMENTS

1. Are cash and checks properly receipted and endorsed? ☐ ☐
2. Does the employee who received the payment prepare the 2X or 2A coupon, post the payment to the collection register, collection log, the management system card (either on a 5x7 card or transaction record) the tracking log and/or the servicing card, and then place the payment in the designated location under lock? ☐ ☐
3. Are cash and checks (including U.S. Treasury) stored under lock until preparation of the deposit or delivery to payee if U.S. Treasury check? ☐ ☐
4. Are payments, both cash and checks, received after the bank's cutoff time deposited in the TLD account at closing or stored under lock overnight? ☐ ☐
5. Is the collection register or collection log subtalled at the cutoff of each day's activity and is the amount of all deposit items shown for each day's activity on the register? ☐ ☐
6. Are Forms FmHA 451-2, Schedule of Remittances, being prepared properly? ☐ ☐
 - Number sequence correct? ☐ ☐
 - Payments coded properly? ☐ ☐
 - Correct use of miscellaneous codes? ☐ ☐
7. Are Forms FmHA 1951-55, "Collection Log" being prepared properly? ☐ ☐
 - Payments coded properly? ☐ ☐
 - Parts A & B completed properly? ☐ ☐
 - Reviewed by second person ☐ ☐
8. Are Forms FmHA 1944-9 used for miscellaneous collections, only? ☐ ☐
9. Prior to preparing the deposit ticket, are adding machine tapes prepared for (1) cash and checks (2) coupons and line items of schedules of remittance, DO - Forms 1951-55, etc.? ☐ ☐
10. Are confirmed deposit tickets received at the time of deposit or next day? ☐ ☐
11. Are debit vouchers and/or credit memos provided by the financial institution no later than the next deposit after being processed to the Treasury Limited Account? ☐ ☐
12. Are uncollectible memos prepared for each debit voucher representing a returned check and is the borrower notified in writing at the same time? ☐ ☐

13. Are collections deposited daily (by bank's cutoff) if the total is \$1000 or more, DAR prepared, and NDC called by 4:30 p.m.? ☐ ☐
14. Are deposits of less than \$1,000 deposited in 3 days? ☐ ☐
15. Are all cash collections deposited the last workday in the week? ☐ ☐
16. Is the cash application report, transaction records, and AMAS inquiries spot checked to assure borrower received proper payment amount and date of credit or that any uncollectible is reversed from the borrower's account? ☐ ☐
17. Are U.S. Treasury checks negotiated/cancelled within 20 business days of check date? ☐ ☐

III. FILES

1. Are operational files maintained in accordance with State Instructions 2033-A and FmHA Instruction 1951-B? ☐ ☐
2. Are unused Forms FmHA 451-1, Acknowledgment of Cash Payment, stored in the locked safe and are serial numbers noted when a receipt book is assigned? ☐ ☐
3. Do Forms FmHA 2024-6, Notice of Transmittal and Receipt, correspond with receipt books on file? ☐ ☐

IV. PROBLEMS

1. Are problems which are detected by the bank and/or FmHA reported to the CBS State Office Coordinator upon discovery? ☐ ☐
2. Are bank statements reconciled upon receipt (reconciliation notes shown on statement) and any problems with balances reported to the CBS State Office Coordinator promptly? ☐ ☐
3. Are problem cases involving borrower accounts (unprocessed payments, misapplied payments, etc.) submitted to the State Office or Multiple Family Housing unit in the Finance Office promptly? ☐ ☐

Month(s) Reviewed	Signature of Reviewer	Date of Review
COMMENTS:		